



WASHOE COUNTY

"Dedicated To Excellence in Public Service"

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CM/ACM _____

Finance _____

DA _____

Risk Mgt. _N/A_

HR _N/A_

Other _N/A_

STAFF REPORT

BOARD MEETING DATE: February 9, 2016

DATE: November 17, 2015

TO: Board of County Commissioners

FROM: Mark Mathers, Budget Manager
(775) 328-2071, mmathers@washoecounty.us

THROUGH: Al Rogers, Management Services Director
(775) 328-2017, arogers@washoecounty.us

SUBJECT: Recommendation to approve and execute an ordinance amending and restating certain provisions of Ordinance No. 1570 relating to the issuance of the "Washoe County, Nevada, Sales Tax Revenue Refunding Bonds, Series 2016A," for the purpose of refinancing certain outstanding obligations; and providing other matters related thereto; and adopting it as if an emergency now exists. The total principal amount of bonds is estimated to be \$13,850,000. (All Commission Districts)

SUMMARY

Staff is recommending that the Board of County Commissioners (Board) approve and execute an ordinance amending and restating certain provisions of Ordinance No. 1570 relating to the issuance of the "Washoe County, Nevada, Sales Tax Revenue Refunding Bonds, Series 2016A," for the purpose of refunding the entire \$13,585,000 of outstanding bonds of the Washoe County, Nevada, Sales Tax Revenue Bonds, Series 1998 (the "1998 Bonds") for interest rate savings. An ordinance for this purpose was previously approved by the Board on December 8, 2015, but due to a shift back in the schedule for this project, the ordinance has been modified to reflect new debt service payment dates. Refinancing these revenue bonds will produce a net present value (NPV) savings of approximately \$1,380,000, or 10.2% of the existing debt.

Washoe County Strategic Objective supported by this item: Stewardship of our community.

PREVIOUS ACTION

On December 8, 1998, the County adopted an ordinance imposing the 1/8-cent sales and use tax for flood and public safety projects in accordance with Chapter 377B of the Nevada Revised Statutes.

On December 8, 1998, the Board approved and executed the bond ordinance authorizing the sale of the 1998 Bonds.

AGENDA ITEM # 12

On December 8, 2015, the Board approved a bond ordinance authorizing the refunding of the 1998 bonds.

BACKGROUND

In December 1998, the County issued \$21,915,000 of 1998 Bond to construct a regional public safety training complex, a regional dispatch/emergency operations center and a portion of the Truckee River Flood Control Project. These projects are still in use today. As revenue bonds, the 1998 Bonds are special, limited obligations of the County payable solely from the 1/8-cent sales tax and do not constitute general obligations of the County; thus, the full faith and credit of the County to pay debt service on these bonds is not pledged. Since 2010, sales tax revenues have ranged from \$6.3 to \$8.2 million per year, providing strong coverage for these bonds, which carry annual debt service of approximately \$1.425 million.

Bonds maturing on or after December 1, 2009, are subject to optional redemption by the County prior to their respective maturities. Due to a decrease in market interest rates, an opportunity exists to refund the 1998 Bonds for significant savings. The expected refinanced interest rate to refund the remaining outstanding 1998 Bonds with maturities of 2016 through 2029 is approximately 3.25%.

The Interlocal Cooperative Agreement establishing the Truckee River Flood Management Authority (TRFMA) in 2011 provides that all net pledged revenues generated from the 1/8-cent sales tax (i.e., total gross sales tax revenues less debt service on the two series of County bonds that pledge the sales tax) be distributed to TRFMA. For that reason, the savings generated by this refunding essentially will flow to TRFMA. In addition to the interest rate savings produced by this refunding, though, there are efficiencies in spreading the costs of issuance for the refunding of the 1998 Bonds and the County's 2006 Public Safety Bonds, which will be sold at the same time pending authorization of the Board for this refunding, which is a separate item on today's agenda.

County staff and its financial advisors also examined the 2006 Flood Control Bonds, which are variable-rate bonds and also pledge the 1/8-cent sales tax, in order to consider refunding these bonds and converting them to a fixed-rate mode. However, the result of this analysis was that fixing the interest rate produced uncertain results; in some interest-rate scenarios, new fixed rate bonds would generate negative savings. For this reason and in consultation with TRFMA, staff does not recommend a refunding of the 2006 Flood Control Bonds.

An ordinance approving the refunding of the 1998 Bonds was previously approved by the Board on December 8, 2015. However, subsequent to this action, it was learned that the County's Comprehensive Annual Financial Report (CAFR) would be presented to the Board in February rather than January, thereby necessitating shifting the schedule for the refunding bonds back one month. This necessitated revising the bond ordinance to reflect new debt service payment dates.

FISCAL IMPACT

The estimated principal amount of bonds to be sold is \$13,850,000. Refinancing the 1998 Bonds will produce a net present value (NPV) savings of approximately \$1,380,000, or 10.2% of the existing debt.

The funding source and pledged revenues for the refunding bonds, which is the 1/8-cent sales tax imposed by the County in 1998 for flood and public safety projects, will not change nor will the term of the bonds. In addition to achieving a reduced interest rate and thus reduced semi-annual payments, the requirement for the County to have a reserve fund will be eliminated with this refunding. This is due to the strong coverage of revenues for the 2016A Bonds.

RECOMMENDATION

It is recommended that the Board approve and execute an ordinance amending and restating certain provisions of Ordinance No. 1570 relating to the issuance of the "Washoe County, Nevada, Sales Tax Revenue Refunding Bonds, Series 2016A," for the purpose of refinancing certain outstanding obligations; and providing other matters related thereto; and adopting it as if an emergency now exists.

POSSIBLE MOTIONS

Should the Board agree with staff's recommendation, a possible motion would be: "Move to approve and execute an ordinance amending and restating certain provisions of Ordinance No. 1570 relating to the issuance of the "Washoe County, Nevada, Sales Tax Revenue Refunding Bonds, Series 2016A," for the purpose of refinancing certain outstanding obligations; and providing other matters related thereto; and adopting it as if an emergency now exists."

Summary - an ordinance amending and restating certain provisions of Ordinance No. 1570 relating to the issuance by Washoe County, Nevada, of its Sales Tax Revenue Refunding Bonds, Series 2016A, and providing other matters relating thereto.

BILL NO. _____
ORDINANCE NO. _____

AN ORDINANCE AMENDING AND RESTATING CERTAIN PROVISIONS OF ORDINANCE NO. 1570 RELATING TO THE ISSUANCE OF THE "WASHOE COUNTY, NEVADA, SALES TAX REVENUE REFUNDING BONDS, SERIES 2016A," FOR THE PURPOSE OF REFINANCING CERTAIN OUTSTANDING OBLIGATIONS; AND PROVIDING OTHER MATTERS RELATED THERETO.

WHEREAS, the County of Washoe, in the State of Nevada (the "County" and the "State," respectively), is a county incorporated and operating under the laws of the State; and

WHEREAS, the Board of County Commissioners (the "Board") has determined and does hereby declare pursuant to Nevada Revised Statutes ("NRS") Sections 244A.011 through 244A.065 (the "Project Act") and NRS chapter 377B (the "Act"), the County is authorized and empowered to use the infrastructure tax imposed pursuant to Chapter 377B on the gross receipts of any retailer from the sale of all tangible personal property sold at retail, or stored, used or otherwise consumed in the County (the "Sales Tax" or the "Pledged Revenues") to finance the cost of refunding all or a portion of the Washoe County, Nevada, Sales Tax Revenue Bonds, Series 1998 (the "1998 Bonds"), for interest rate savings and to effect other economies (the "Project") and to evidence such borrowing by the issuance of bonds in accordance with the provisions of NRS Section 350.500 through Section 350.720, cited in Section 350.500 thereof by the short title "Local Government Securities Law" (the "Bond Act"); and

WHEREAS, pursuant to NRS 350.684, the Board is authorized to issue special obligation bonds in order to refund, pay and discharge all or a portion of the 1998 Bonds for the Project; and

WHEREAS, for the purpose of financing the cost of refunding all or a portion of the 1998 Bonds, the Board adopted Ordinance No. 1570 on December 8, 2015 ("Ordinance No.

1570") relating to the issuance of the "Washoe County, Nevada, Sales Tax Revenue Refunding Bonds, Series 2016A" (the "Bonds"); and

WHEREAS, the Board desires to amend and restate certain provisions of Ordinance No. 1570; and

WHEREAS, the Board has found and determined and hereby declares:

A. This ordinance pertains to the sale, issuance, and payment of the Bonds.

B. Each of the limitations and other conditions to the issuance of the Bonds in the Project Act, the Bond Act, the Supplemental Bond Act, and in any other relevant act of the State or the Federal Government, has been met; and pursuant to NRS 350.708, this determination of the Board that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary or gross abuse of discretion.

C. This ordinance may accordingly be adopted as if an emergency now exists by an affirmative vote of not less than two-thirds of all the voting members of the Board (excluding from any such computation any vacancy on the Board and any member thereof who may vote only to break a tie vote), and this ordinance may become effective at any time when an emergency instrument of the County may go into effect.

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF WASHOE, IN THE STATE OF NEVADA, DOES ORDAIN:

Section 1. Short Title. This ordinance shall be known as and may be designated by the short title "2016A Refunding Bond Ordinance Amendment" (this "Ordinance").

Section 2. Meanings and Construction.

A. Definitions. The terms used herein, unless otherwise defined herein, shall have the meanings assigned thereto in Ordinance No. 1570.

B. Construction. This Ordinance, except where the context by clear implication herein otherwise requires, shall be construed as follows:

1. Words in the singular number include the plural, and words in the plural include the singular.

2. Words in the masculine gender include the feminine and the neuter, and when the sense so indicates words of the neuter gender refer to any gender.

3. The titles and leadlines applied to articles, sections, subsections and paragraphs of this Ordinance are inserted only as a matter of convenience and ease in reference and in no way define, limit or describe the scope or intent of any provisions of this Ordinance.

4. Any securities payable from any Pledged Revenues and held by the County shall not be deemed to be Outstanding for the purpose of redemption nor Outstanding for the purpose of consents hereunder or for other purposes provided herein.

Section 3. Amendment of Section 302 of Ordinance No. 1570. Section 302 of Ordinance No. 1570 is hereby amended and restated in full as follows: "Bond Details. The Bonds shall be issued payable in fully registered form, i.e., registered as to both principal and interest and shall be dated as of the date of delivery of the Bonds. Except as provided in Section 307 hereof, the Bonds shall be issued in the denominations of \$5,000 and any integral multiples thereof. The Bonds shall bear interest (calculated on the basis of a 360 day year of twelve 30-day months) at the rates shown in the Certificate of the County Officer from their date until their respective fixed maturity dates, payable on March 1 and September 1 of each year, commencing on the March 1 or September 1 immediately following the date of delivery of the Bonds, except that Bonds which are reissued upon transfer, exchange or other replacement shall bear interest at the rates shown in the Certificate of the County Officer from the most recent interest payment date to which interest has been paid or provided for, or, if no interest has been paid, from the date of the Bonds. The Bonds shall mature in the designated amounts and years as set forth in the Certificate of the County Officer.

The principal of and redemption premium, if any, on any Bond, shall be payable to the registered owner thereof as shown on the registration records kept by the Registrar, upon

maturity or prior redemption thereof and upon presentation and surrender at the Paying Agent or at such other office as designated by the Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the interest rate borne by the Bond until the principal thereof is paid in full. Except as provided in Section 307 hereof, payment of interest on any Bond shall be made to the registered owner thereof by check or draft mailed by the Paying Agent, on each interest payment date (or, if such interest payment date is not a business day, on the next succeeding business day), to the registered owner thereof at his or her address as shown on the registration records kept by the Registrar at the close of business on the Regular Record Date for such interest payment date; but any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner thereof at the close of business on the Regular Record Date and shall be payable to the person who is the registered owner thereof at the close of business on a Special Record Date for the payment of any such defaulted interest. Such Special Record Date shall be fixed by the Paying Agent whenever money becomes available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owners of the Bonds not less than 10 days prior thereto by first-class mail to each such registered owner as shown on the Registrar's registration records on a date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed upon between the owner of such Bond and the Paying Agent. All such payments shall be made in lawful money of the United States of America."

Section 4. Amendment of Section 314 of Ordinance No. 1570. Section 314 of Ordinance No. 1570 is hereby amended and restated in full as follows: "Bond Form. Subject to the provisions of this Ordinance, each Bond shall be in substantially the following form with such omissions, insertions, endorsements, and variations as to any recitals of fact or other provisions as may be required by the circumstances, be required or permitted by this Ordinance, or be consistent with this Ordinance and necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto:

(Form of Bond)

TRANSFER OF THIS BOND OTHER THAN BY REGISTRATION IS NOT EFFECTIVE

**WASHOE COUNTY, NEVADA
SALES TAX REVENUE REFUNDING BOND
SERIES 2016A**

NO. _____ \$ _____

Interest Rate _____% per annum Maturity Date _____1, _____ Dated As Of _____, 2016 CUSIP _____

REGISTERED OWNER: ****CEDE & CO.****

PRINCIPAL AMOUNT: _____ DOLLARS

The County of Washoe in the State of Nevada (the "County" and the "State", respectively), for value received hereby acknowledges itself to be indebted and promises to pay to the Registered Owner specified above the Principal Amount specified above, on the Maturity Date specified above (unless called for earlier redemption), and to pay interest thereon on March 1 and September 1 of each year, commencing on _____ 1, _____, at the Interest Rate per annum specified above, until the principal sum is paid or payment has been provided therefor. This Bond will bear interest from the most recent interest payment date to which interest has been paid or provided for, or, if no interest has been paid, from the date of this Bond. The principal of and redemption premium, if any, on this Bond are payable to the Registered Owner hereof upon presentation and surrender hereof at the office of U.S. Bank, National Association, as paying agent for the Bonds (the "Paying Agent"), which is also now acting as the County's registrar for the Bonds (the "Registrar") or at such other office as designated by the Paying Agent. Interest on this Bond will be paid on each interest payment date (or, if such interest payment date is not a business day, on the next succeeding business day), by check or draft mailed to the person in whose name this Bond is registered (the "Registered Owner") in the registration records of the County maintained by the Registrar and at the address appearing thereon at the close of business on the 15th day of the calendar month next preceding such interest payment date (the "Regular Record Date"). Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner hereof at the close of business on a Special Record Date for the payment of any defaulted interest. Such Special Record Date shall be fixed by the Paying Agent for the Bonds whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Registered Owners of the Bonds of the series of which this is one (the "Bonds") not less than ten days prior thereto. All payments of the principal of, interest on and redemption premiums due in connection with this Bond (the "Bond Requirements") shall be made in lawful money of the United States of America without deduction for the services of the Paying Agent.

The Bonds are issuable solely as fully registered Bonds in denominations of \$5,000 each or any integral multiple thereof. The Bonds are exchangeable for fully registered Bonds of the same maturity in equal aggregate principal amounts and in authorized denominations at the aforesaid office of the Paying Agent and Registrar but only in the manner, subject to the limitations, and on payment of the charges provided in the County's ordinance designated by the short title "2016A Refunding Bond Ordinance," adopted and approved on December 8, 2015 authorizing the issuance of the Bonds, as amended on February 9, 2016 (the "Ordinance").

The Registrar will not be required to transfer or exchange (i) any Bond subject to redemption during a period beginning at the opening of business 15 days before the day of the mailing by the Registrar of a notice of prior redemption of Bonds and ending at the close of business on the day of such mailing, or (ii) any Bond after the mailing of notice calling such Bond or any portion thereof for prior redemption.

The Bonds shall not be transferable or exchangeable, except as set forth in the County's ordinance adopted and approved on December 8, 2015 authorizing the issuance of the Bonds, as amended on February 9, 2016 (the "Ordinance").

The Bonds, or portions thereof, are subject to optional prior redemption as set forth in the Ordinance and the Certificate of the County Officer.

Certain of the Bonds shall be subject to mandatory sinking fund redemption as provided in the Ordinance and in the Certificate of the County Officer.

In the case of Bonds of a denomination larger than \$5,000, a portion of such Bond (\$5,000 of the principal amount thereof, or any integral multiple thereof) may be redeemed, in which case the Registrar shall, without charge to the owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof. Redemption shall be made upon not less than thirty (30) days' prior notice as provided in the Ordinance.

Upon any partial prior redemption of this Bond, Cede & Co., in its discretion, may request the Registrar to authenticate a new Bond or shall make an appropriate notation on this Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case this Bond must be presented to the Paying Agent prior to payment.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the County or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co., or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

This Bond must be registered in the name of the Registered Owner as to both principal and interest on the registration records kept by the Registrar in conformity with the provisions stated herein and endorsed hereon and subject to the terms and conditions set forth in the Ordinance. No transfer of this Bond shall be valid unless made on the registration records maintained at the principal office of the Registrar by the Registered Owner or his attorney duly authorized in writing.

The County and the Registrar and Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of making payment (except to the extent otherwise provided hereinabove and in the Ordinance with respect to Regular and Special Record Dates for the payment of interest) and for all other purposes and the County, and Paying Agent and Registrar shall be not affected by notice to the contrary.

The Bonds are issued by the County and upon the credit thereof, for the purpose of defraying wholly or in part the cost of financing building projects as set forth in the Ordinance, under the authority of and in full conformity with the Constitution and laws of the State and the County and pursuant to the Ordinance.

The payment of the Bonds, as to all Bond Requirements, is secured solely by an irrevocable pledge of revenues derived by the County from the Pledged Revenues (as defined in the Ordinance).

Payment of the Bond Requirements due in connection with the Bonds may be made from and as security for such payment there is irrevocably and exclusively pledged, pursuant to the Ordinance, the Bond Fund, as defined in the Ordinance into which account the County covenants to pay from the revenues derived from the Pledged Revenues sums sufficient to pay when due the Bond Requirements of the Bonds, except to the extent other moneys are available therefor.

The Bonds are equitably and ratably secured by a lien on the Pledged Revenues, and the Bonds constitute an irrevocable lien (but not necessarily an exclusive lien) upon the Pledged Revenues on a parity with the lien thereon of the Parity Lien Bonds and any outstanding Parity Securities hereafter issued and superior to the lien thereon of the Subordinate Securities. Bonds and other securities, in addition to the Bonds and the Parity Lien Bonds, subject to expressed conditions, may be issued and made payable from the Pledged Revenues having a lien thereon subordinate and junior to the lien or, subject to additional expressed conditions, having a lien thereon on a parity with the lien, of the Parity Lien Bonds and the Bonds, in accordance with the provisions of the Ordinance.

The County covenants and agrees with the owner of this Bond and with each and every person who may become the owner hereof that it will keep and will perform all of the covenants of the Ordinance.

Reference is made to the Ordinance, NRS 244A.011 to 244.065, inclusive (the "Project Act"); and the ordinance adopted by the Board of County Commissioners of Washoe County relating to the imposition of the Sales Tax pursuant to NRS chapter 377B, as amended

from time to time (the "Sales Tax Act"); an act cited as NRS 350.500 through 350.720, and all laws amendatory thereof, designated in NRS 350.500 as the Local Government Securities Law (the "Bond Act"); to Chapter 348 of NRS (the "Supplemental Bond Act"), and to all laws supplemental thereto, for an additional description of the nature and extent of the security for the Bonds, accounts, funds and revenues pledged, the nature and extent and manner of enforcement of the pledge, the rights and remedies of the owners of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued, and a statement of rights and remedies of the owners of the Bonds.

The Bonds are issued pursuant to the Project Act, the Sales Tax Act, the Bond Act, and the Supplemental Bond Act, and pursuant to NRS 350.628, this recital is conclusive evidence of the validity of the Bonds and the regularity of their issuance; and pursuant to NRS 350.710, the Bonds, their transfer, and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to chapter 375B of NRS.

To the extent and in the respects permitted by the Ordinance, the provisions of the Ordinance or any instrument amendatory thereof or supplemental thereto may be modified or amended by action of the County taken in the manner and subject to the conditions and exceptions prescribed in the Ordinance. The pledge of revenues and other obligations of the County under the Ordinance may be discharged at or prior to the respective maturities of the Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Ordinance.

It is further certified, recited and warranted that all the requirements of law have been fully complied with by the proper officers of the County in the issuance of this Bond; that it is issued pursuant to and in strict conformity with the Constitution and laws of the State, particularly under the terms and provisions of the Project Act, the Sales Tax Act, the Bond Act, the Supplemental Bond Act, and all laws supplemental thereto, and with the Ordinance; and that this Bond does not contravene any constitutional or statutory limitation.

No recourse shall be had for the payment of the Bond Requirements of this Bond or for any claim based thereon or otherwise upon the Ordinance or other instrument relating thereto, against any individual member of the Board of County Commissioners of the County, any individual member of the County, or any officer or other agent of the County, past, present or future, either directly or indirectly through such board or the County, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Bond and as a part of the consideration of its issuance specially waived and released.

This Bond shall not be valid or obligatory for any purpose until a manual signature of a duly authorized officer of the Registrar has been affixed on the certificate of authentication hereon.

IN WITNESS WHEREOF, the County has caused this Bond to be signed and executed in its name and upon its behalf with the manual or facsimile signature of the Chair of its Board of County Commissioners, to be countersigned and executed with the manual or facsimile signature of the County Treasurer and has caused a manual impression or a facsimile of the seal of the County to be affixed hereon; and has caused this Bond to be signed, executed and attested with the manual or facsimile signature of the County Clerk, all as of _____, 2016.

WASHOE COUNTY, NEVADA

(Manual or Facsimile Signature)

Chair
Board of County Commissioners

Countersigned:

(Manual or Facsimile Signature)

County Treasurer

(Manual or Facsimile Seal)

Attest:

(Manual or Facsimile Signature)

County Clerk

- * Insert only if Bonds are delivered pursuant to Section 307(A)(3) of this Ordinance.
- ** Insert only if Bonds are initially delivered to the Depository Trust Company pursuant to Section 307(A) of this Ordinance.
- *** Insert only if Certificate of the County Officer designates any of the Bonds as term Bonds.

**** (Form of Prepayment Panel)**

The following installments of principal (or portions thereof) of this Bond have been prepaid by the County, in accordance with the terms of the Ordinance authorizing the issuance of this Bond.

<u>Date of Prepayment</u>	<u>Principal</u>	<u>Signature of Authorized Representative of DTC</u>

(End of Form of Prepayment Panel)**

***(Form of Assignment for Bonds)**

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the books kept for registration of the within Bond, full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Name and address of transferee:

Social Security or other tax
identification number of
transferee:

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever. Signature(s) must be guaranteed by an eligible guarantor institution as defined in 17 CFR 240.17Ad-15(a)(2).

(End of Form of Assignment for Bonds)*"

Section 5. Ratification. All action heretofore taken (not inconsistent with the provisions of this Ordinance and Ordinance No. 1570) by the County, the officers of the County, and otherwise by the County directed toward the Project and toward the sale of the Bonds to the Purchaser for that purpose, hereby is ratified, approved and confirmed.

Section 6. Police Power. Nothing herein prohibits or otherwise limits or inhibits the exercise by the Federal Government, the State, any agency thereof or any public body thereof, including, without limitation, the County, of the police power, i.e., essential governmental powers for the public welfare. The provisions hereof are subject to any proper exercise hereafter of the police power thereby. The County cannot contract away the police power thereof nor limit or inhibit by contract the proper exercise of the police power thereby, and this Ordinance does not purport to do so.

Section 7. Ordinance Irrepealable. After any Bonds are issued, this Ordinance shall constitute an irrevocable contract between the County and the owner or owners of the Bonds, and this Ordinance, if any Bonds are in fact issued, shall be and shall remain irrepealable until the Bonds, as to all Bond Requirements, shall be fully paid, canceled and discharged, except as otherwise expressly provided in Ordinance No. 1570.

Section 8. Repealer. All bylaws, orders and other instruments, or parts thereof, inconsistent herewith are hereby repealed to the extent only of the inconsistency. This repealer shall not be construed to revive any bylaw, order or other instrument, or part thereof, heretofore repealed.

Section 9. Effective Date. The Board hereby determines that this Ordinance pertains to the sale, issuance and payment of the Bonds, and that this Ordinance may accordingly be adopted as if an emergency now exists and may become effective at any time an emergency ordinance of the County may go into effect. Consequently pursuant to NRS 350.579, final action shall be taken immediately, and this Ordinance shall be adopted as if an emergency exists and be effective after its publication as hereinafter provided. After this Ordinance is signed by the Chair and attested and sealed by the Clerk, this Ordinance shall be published by title only, together with the names of the Commissioners voting for or against its passage, and with a statement that typewritten copies of said Ordinance are available for inspection by all interested parties at the

office of the County Clerk, such publication to be made in the Reno Gazette-Journal, a newspaper published and having general circulation in the County, at least once a week for a period of two (2) weeks by two (2) insertions, pursuant to NRS 244.100 and all laws thereunto enabling, such publication to be in substantially the following form:

(Form for Publication After Final Adoption of Ordinance)

BILL NO. _____
ORDINANCE NO. _____

AN ORDINANCE AMENDING AND RESTATING CERTAIN PROVISIONS OF ORDINANCE NO. 1570 RELATING TO THE ISSUANCE OF THE "WASHOE COUNTY, NEVADA, SALES TAX REVENUE REFUNDING BONDS, SERIES 2016A," FOR THE PURPOSE OF REFINANCING CERTAIN OUTSTANDING OBLIGATIONS; AND PROVIDING OTHER MATTERS RELATED THERETO.

PUBLIC NOTICE IS HEREBY GIVEN that typewritten copies of the above-numbered and entitled Ordinance are available for inspection by the interested parties at the office of the County Clerk of Washoe County, Nevada, at her office at the County Administrative Complex, Reno, Nevada; and that said Ordinance was proposed by Commissioner _____ on February 9, 2016, and was passed and adopted without amendment at the regular meeting on February 9, 2016, by the following vote of the Board of County Commissioners:

Those Voting Aye:

Those Voting Nay: _____

Those Absent: _____

This Ordinance shall be in full force and effect from and after 5:00 p.m. on the 19th day of February, 2016, i.e., the date of the second publication of such Ordinance by title only.

IN WITNESS WHEREOF, the Board of County Commissioners of Washoe County, Nevada, has caused this Ordinance to be published by title only.

DATED: February 9, 2016.

/s/

Chair
Board of County Commissioners
Washoe County, Nevada

(SEAL)

Attest:

/s/

County Clerk

(End of Form of Publication)

Section 10. Severability. If any section, subsection, paragraph, clause or other provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause or other provision shall not affect any of the remaining provisions of this Ordinance.

PASSED AND ADOPTED BY AN AFFIRMATIVE VOTE OF AT LEAST TWO-THIRDS OF THE MEMBERS OF THE BOARD OF COUNTY COMMISSIONERS OF WASHOE COUNTY, NEVADA, THIS FEBRUARY 9, 2016.

Proposed on February 9, 2016.

Proposed by Commissioner _____.

Passed on February 9, 2016.

Vote:

Ayes:

Nays:

Absent:

Attest:

County Clerk

Chair of the Board

This Ordinance shall be in full force and effect from and after 5:00 p.m. on the 19th day of February, 2016, i.e., the date of the second publication of such Ordinance by title only.

STATE OF NEVADA)
) **ss.**
COUNTY OF WASHOE)

I am the qualified and elected Clerk of Washoe County (the "County"), and in the performance of my duties as Clerk do hereby certify:

1. The foregoing pages are a true, correct and compared copy of an ordinance adopted by Board of County Commissioners (the "Board") of the County at a meeting held on February 9, 2016. The original of the ordinance has been approved and authenticated by the signatures of the Chair of the Board and myself as County Clerk and sealed with the seal of the County, and has been recorded in the minute book of the Board kept for that purpose in my office.

2. Said proceedings were duly had and taken as therein shown. The Commissioners set forth in the ordinance were present at said meeting and voted on the ordinance.

3. All members of the Board were given due and proper notice of such meeting.

4. Public notice of such meeting was given and such meeting was held and conducted in full compliance with the provisions of NRS 241.020. A copy of the notice of meeting and excerpts from the agenda for the meeting relating to the ordinance, as posted by 9:00 a.m. at least 3 working days in advance of the meeting at the County's website, on the official website of the State of Nevada pursuant to NRS 232.2175 and:

- (i) Washoe County Administration Complex
1001 East Ninth Street, Building A
Reno, Nevada
- ii) Washoe County Courthouse
Second Judicial District Court
75 Court Street
Reno, Nevada
- (iii) Washoe County Central Library
301 South Center Street
Reno, Nevada

(iv) Sparks Justice Court
1675 East Prater Way
Sparks, Nevada

is attached as Exhibit A.

5. Prior to 9:00 a.m. at least 3 working days before such meeting, such notice was mailed to each person, if any, who has requested notices of meetings of the Board in compliance with NRS 241.020(3)(b) by United States Mail, or if feasible and agreed to by the requestor, by electronic mail.

6. A copy of an affidavit evidencing publication of notice of adoption of the ordinance is attached hereto as Exhibit B.

IN WITNESS WHEREOF, I have hereunto set my hand this February 9, 2016.

County Clerk

EXHIBIT A

(Attach Copy of Notice of February 9, 2016 Meeting)

EXHIBIT B

(Attach Affidavit of Publication of Notice of Adoption of Ordinance)